

U.S. DISTRICT COURT
DISTRICT OF VERMONT
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UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF VERMONT

UNITED STATES OF AMERICA)
v.)
NATHAN CARMAN,)
Defendant.)

Criminal No. 5:22-cr-49-1

INDICTMENT

The Grand Jury charges:

At all times relevant to this indictment:

1. Defendant Nathan Carman was the son of Linda Carman and the grandson of John and Rita Chakalos. Nathan Carman and Linda Carman had a strained relationship.
2. John Chakalos made tens of millions of dollars by building and renting nursing homes and through other real estate ventures. John Chakalos had four daughters: Elaine Chakalos, Linda Carman, Charlene Gallagher and Valerie Santilli. Chakalos spent time at two residential properties: a house in Windsor, CT, where he maintained his business office, and a house in West Chesterfield, NH, which he had built. As part of his estate planning, John Chakalos created various trusts, including the Chakalos Family Dynasty Trust (Dynasty Trust). The Dynasty Trust was designed to provide distributions to the four daughters and to distribute John's assets to trusts in the names of the four daughters. Certain additional assets in John Chakalos's name would pass from his estate into the Dynasty Trust and to the daughters' trusts after his death. Valerie Santilli was the executor of John Chakalos's estate. Under the terms of the trusts, the daughters had some control to name the beneficiaries of their trusts. Under the terms of the trusts, the trustees, Larry Santilli and Paul Sterczala, had the power to decide

whether to make distributions from the Dynasty Trust and from the daughters' trusts receiving funds from the Dynasty Trust.

3. In 2012 and 2013, Nathan Carman presented detailed questions to John Chakalos's trust attorney and financial advisor about Carman's financial interests in John Chakalos's assets and the operation of the trusts.

4. By 2013, John Chakalos had set up two bank accounts for which Nathan Carman was the beneficiary upon Chakalos's death. One account, containing approximately \$150,000, was designed to provide financial support for Nathan Carman's college enrollment. The second account, containing approximately \$400,000, listed both Linda Carman and Nathan Carman as beneficiaries on Chakalos's death.

5. During 2012 and 2013, Nathan Carman spent significant time with his grandfather, John Chakalos, and attended various business meetings. Chakalos convinced Linda Carman to designate Nathan Carman as the beneficiary of her trust from the Dynasty Trust. During this period, Chakalos paid for Nathan Carman's personal expenses, including a truck and an apartment. Nathan Carman received his high school degree in 2012. During 2012 and 2013, Nathan Carman enrolled in community college but failed to complete most of his courses.

6. After 2012, Linda Carman's principal way of interacting with her son, Nathan Carman, was by spending time fishing with him. In 2015, Nathan Carman purchased a boat, the *Chicken Pox*, and insured the boat through Boat Owners Association of the United States (Boat U.S.), which acted as the managing director for an insurance company, National Liability and Fire Insurance Co.

The Scheme

7. Beginning in or about 2013 and continuing until the present, in the District of Vermont and elsewhere, defendant Nathan Carman devised a scheme to defraud the Estate of John Chakalos, its executor, the Dynasty Trust, and its trustees, and to obtain money from the Dynasty Trust by materially false and fraudulent pretenses, representations, and promises. As a central part of this scheme, Nathan Carman murdered John Chakalos and Linda Carman. He concocted cover stories to conceal his involvement in those killings. As part of his cover-up, Nathan Carman misrepresented his involvement in and responsibility for those deaths to law enforcement, to his family, to others who made inquiries about the deaths and their circumstances, and to others who challenged his cover-up or challenged his rights to his grandfather's assets.

8. On November 6, 2013, Nathan Carman, while living in a rented apartment in Bloomfield, CT, registered his truck in New Hampshire and obtained a New Hampshire driver's license. Carman listed his New Hampshire residence as the house built by John Chakalos in West Chesterfield, NH.

9. On November 11, 2013, Nathan Carman used the New Hampshire driver's license to purchase a Sig Sauer rifle at Shooter's Outpost in Hookset, NH.

10. On December 20, 2013, Nathan Carman murdered his grandfather, John Chakalos, shooting him twice with the Sig Sauer while Chakalos slept in his Windsor, CT home.

11. After Nathan Carman killed John Chakalos, and as part of his plan to cover up his involvement in that crime, Nathan Carman discarded his computer hard drive and the GPS unit that had been in his truck the night of the murder. These acts prevented law enforcement from reviewing the data on these devices.

12. Between December 20, 2013 and January of 2014, Nathan Carman provided false information to the law enforcement agencies investigating John Chakalos's murder. Among other things, Nathan Carman falsely denied involvement in the murder. He misrepresented his whereabouts between approximately 3:00 a.m. on December 20, 2013, when he left his apartment in Bloomfield, and approximately 4:00 a.m., when he arrived at the location where he planned to meet his mother to take a charter fishing trip. He also falsely denied purchasing the Sig Sauer in November 2013.

13. After John Chakalos was murdered, Nathan Carman received approximately \$550,000 as a result of Chakalos's death: \$150,000 from the college account and \$400,000 from the beneficiary-on-death account. Carman moved to Vermont in 2014. Carman spent much of this money between 2014 and 2016, during most of which he was unemployed. By the fall of 2016, he was low on funds.

14. In September 2016, Nathan Carman arranged to go on a fishing trip on the *Chicken Pox* with his mother, Linda Carman. Nathan Carman planned to kill his mother on the trip. He also planned how he would report the sinking of the *Chicken Pox* and his mother's disappearance at sea as accidents.

15. Prior to the trip, Nathan Carman told his mother that they would be fishing in the immediate vicinity of Block Island, RI. Nathan Carman and Linda Carman left in the *Chicken Pox* from Ram Point Marina in South Kingstown, RI at approximately 11:13 p.m. on September 17, 2016. Linda Carman believed that she would be returning home by noon the next day, as evidenced by the float plan she left with friends.

16. Prior to the trip, Nathan Carman altered the *Chicken Pox* in several ways, including removing two forward bulkheads and removing trim tabs from the transom of the hull.

17. Prior to the trip, Nathan Carman removed his computer from his home, preventing law enforcement from reviewing the computer while he was away.

18. After leaving the marina, Nathan Carman killed his mother, Linda Carman, and eventually sank the *Chicken Pox*. On September 18, 2016, when it learned the *Chicken Pox* had not returned from the fishing trip, the Coast Guard began an extensive search and rescue mission that continued until September 24, 2016. During that interval, Nathan Carman and the *Chicken Pox* avoided detection by the search and rescue team. On September 25, Nathan Carman was “rescued” from an inflatable life raft by a commercial ship, the *Orient Lucky*,

19. After being picked up by the *Orient Lucky*, Nathan Carman made false statements to the Coast Guard, to law enforcement investigating the disappearance of Linda Carman, and to others about what happened to Linda Carman and about what occurred on the *Chicken Pox*.

20. In October 2016, Nathan Carman presented an insurance claim to Boat U.S. for the loss of the *Chicken Pox* for approximately \$85,000. Carman misrepresented to the insurance company what happened to Linda Carman and what occurred on the *Chicken Pox*. He largely maintained the false narrative he had provided to law enforcement, with some additional details.

21. In January 2017, Boat U.S. denied Nathan Carman’s insurance claim. Boat U.S. also brought a lawsuit in federal court in Rhode Island seeking a declaratory judgment that the insurance company permissibly denied Carman’s insurance claim. During the litigation, both in discovery and at trial, Nathan Carman maintained his false narratives, misrepresenting what happened to Linda Carman and what occurred on the *Chicken Pox*.

22. In July 2017, Valerie Santilli, the executor of John Chakalos’s estate, filed an action in New Hampshire Probate Court, where the Chakalos estate was being probated, claiming that Nathan Carman killed John Chakalos and Linda Carman. The New Hampshire

action sought to prevent Nathan Carman from benefiting from his grandfather's and mother's deaths. During this litigation, Nathan Carman maintained his false narratives, misrepresenting what happened to his grandfather, what happened to his mother, and what occurred on the *Chicken Pox*.

Counts One through Three

23. On or about the dates below, in the District of Vermont and elsewhere, defendant Nathan Carman, having devised the scheme to defraud and to obtain money by materially false and fraudulent pretenses, representations, and promises described above, knowingly caused to be delivered by U.S. mail or commercial interstate carrier to Nathan Carman in Vermont, the documents described below, for the purpose of executing the scheme:

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
One	May 23, 2018	By U.S. Mail, Petitioner's Third Set of Interrogatories
Two	July 27, 2018	By UPS, material relating to the Windsor Police Department investigation of Carman
Three	November 1, 2018	By UPS, Exhibits for Petitioner's Request for Admissions, Set #2

(18 U.S.C. § 1341)

Counts Four through Six

24. The allegations in paragraphs 1 through 22 are incorporated here.
25. On or about the dates below, in the District of Vermont and elsewhere, defendant Nathan Carman, having devised the scheme to defraud and to obtain money by materially false and fraudulent pretenses, representations, and promises described above, transmitted by means of wire in interstate commerce the documents described below, for the purpose of executing the scheme.

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
Four	February 13, 2018	An email providing answers to Petitioner's First Set of Interrogatories
Five	June 27, 2018	An email providing answers to Petitioner's Third Set of Interrogatories
Six	July 15, 2018	An email providing answers to Petitioner's First Set of Requests for Admission

(18 U.S.C. § 1343)

Count Seven

26. The allegations in paragraphs 1 through 22 are incorporated here.
27. On or about September 17-18, 2016, within the special maritime and territorial jurisdiction of the United States, defendant Nathan Carman unlawfully killed Linda Carman with malice aforethought. Moreover, Nathan Carman killed Linda Carman willfully, deliberately, maliciously, and with premeditation.

(18 U.S.C. § 1111)

Count Eight

28. The allegations in paragraphs 1 through 22 are incorporated here.
29. Between in or about September 2016 and in or about August 2019, in the District of Vermont and elsewhere, defendant Nathan Carman devised a scheme to defraud and to obtain money from Boat U.S. and the National Liability and Fire Insurance Co. by materially false and fraudulent pretenses, representations, and promises about what occurred between the time the *Chicken Pox* left the Ram Point Marina and the time Nathan Carman was picked up by the *Orient Lucky*.
30. On or about June 10, 2017, in the District of Vermont and elsewhere, defendant Nathan Carman, having devised the scheme to defraud and to obtain money by materially false and fraudulent pretenses, representations, and promises described above, transmitted and caused to be transmitted by means of wire communication in interstate commerce an email that attached his narrative about the sinking of the *Chicken Pox*, for the purpose of executing the scheme.

(18 U.S.C. § 1343)

A TRUE BILL



FOREPERSON


Nikolas P. Kerest (PJV/NTB)
United States Attorney
Rutland, Vermont
May 2, 2022